

Agenda Item	26
Report No	FHR/ 141/13

CHIEF EXECUTIVE'S SERVICE
CAPITAL BUDGET EXPENDITURE MONITORING TO 31 AUGUST 2013

Report by the Chief Executive

Summary

This report sets out the position for the Chief Executive's Service 2013-14 capital budget for the period to 31 August 2013.

1 Introduction

The attached appendix shows the monitoring position for the Chief Executive's Service capital programme for the period to 31 August 2013. This shows capital projects amounting to £4.660m for the financial year 2013/14 with £0.733m spend accounted for to date. £0.628m of this is currently showing as a Service credit which is explained in paragraph 2.3, below. The Service is predicting an underspend of £2.747m at the end of the financial year.

2. Budget Movements

- 2.1 The Chief Executive's Programme contains a new project heading: "Unified Communications". This reflects the agreement at the last Committee to pursue a new unified communications solution for the Council's telephony and video conferencing requirements. Consequently, the VC, webcasting and chamber voting system project has been incorporated into the Unified Communications project.
- 2.2 Further work is underway to identify what proportion of funds currently sitting in the ICT Contract Asset Investment budget and previously set aside for telephony, will need to come across to the Unified Communications project. This will be reflected in the Chief Executive's Service capital monitoring report for committee in November 2013.
- 2.3 The ICT Contract Asset Investment budget is currently showing a credit sum of £0.628m. This reflects that whilst expenditure of £0.628m has been accounted for, the Council is still waiting to be invoiced for the actual costs. Once these charges have gone through, the budget will show that these have been paid and the figure will move from a credit to a debit amount.

3. Outturns

- 3.1 The Service is predicting an underspend of £2.747m, mainly due to an under spend of £1.774m on the Kingussie office rationalisation project which was reported to members in June.
- 3.2 The removal of the telephony project from the Fujitsu contract, as agreed at the last FHR Committee, has created a predicted under spend of £0.965m on the ICT contract asset investment project. Most of this under spend will pass to the Unified Communications project budget which has been created to deliver the telephony solution and will incorporate the refresh of the Council's video conferencing provision. The detail of these budget movements and predicted end of year position against each project heading will be reported to the next meeting of the Committee.

4. Recommendation

Members are asked to consider the capital monitoring report for the period to 31 August 2013.

Signature:

Designation: Chief Executive

Date: 27 September 2013

Author: Kate Lackie, Business Manager

THE HIGHLAND COUNCIL
MONITORING OF CAPITAL EXPENDITURE
PERIOD TO 31ST AUGUST 2013
CHIEF EXECUTIVE'S SERVICE

Project	Project Code	Budget			Year to Date Actual			Estimated outturn			Variance	Comments
		A	B	C	D	E	F	G	H	I	J	
		Gross Expenditure	Income	Net Expenditure	Gross Expenditure	Income	Net Expenditure	Gross Expenditure	Income	Net Expenditure	Column I minus Column C	
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Service Point Improvements Future Years	22152	18	0	18	0	0	0	18	0	18	0	
Lochaber House	CE008	(6)	0	(6)	1	0	1	(6)	0	(6)	0	Budget to be offset against CE018 & transferred to TECS/H&P
Fort William Town Centre Regeneration	CE011	46	0	46	0	0	0	46	0	46	0	Budget to be offset against CE018 & transferred to TECS/H&P
ICT Contract Asset Investment	CE015	1,521	0	1,521	(742)	0	(742)	556	0	556	(965)	The telephony Project has been withdrawn so the milestones due for achievement in 13/14 no longer exist. The project is being replaced by a new capital project, Unified Communications. Any underspend on Telephony will be used to fund the new project. While the Curriculum Rolling Refresh has not advanced as expected, but is scheduled to complete in 14/15
Unified Communications Project		300		300	0		0	300		300	0	
Nairn Office Rationalisation	CE016	5	0	5	0	2	(2)	5	0	5	0	Budget to be offset against CE018 & transferred to TECS/H&P
Carbon Management Plan Investment	CE018	(79)	0	(79)	0	0	0	(79)	0	(79)	0	Budget to be offset against CE018 & transferred to TECS/H&P
HQ Block A Refurbishment	CE019	(3)	0	(3)	3	0	3	(3)	0	(3)	0	Budget to be offset against CE018 & transferred to TECS/H&P
Alness Service Point	CE020	21	0	21	0	0	0	21	0	21	0	
Destination Development	CE022	45	0	45	0	0	0	45	0	45	0	
Kingussie Office Rationalisation	CE023	2,186	0	2,186	63	0	63	412	0	412	(1,774)	Land purchase should occur in 2013 although a number of planning issues remain. Project should then commence.
Regeneration of Cameron Square, Fort William	CE024	540	0	540	49	0	49	532	0	532	(8)	1.5% retention
Inverness City Gateways	CE026	66	0	66	0	0	0	66	0	66	0	Contribution to Ness River Public Art Programme: see committee report.
		4,660	0	4,660	(626)	2	(628)	1,913	0	1,913	(2,747)	

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